

EDENVALE AREA DEVELOPMENT POLICY

The following Area Development Policy supercedes the previous policy adopted in June 20, 2000 November 2000.

Purpose

The City of San Jose plans to adopt an Area Development Policy for the Edenvale Redevelopment Area in conformance with the provisions of General Plan Level of Service Policy #5. The primary reason for adopting an Area Development Policy is to manage the traffic congestion associated with near term development in the Edenvale Redevelopment Area, promote General Plan goals for economic development and encourage a reverse commute to jobs at southerly locations in San Jose. This Area Development Policy allows ongoing industrial development in the Redevelopment Area. Key provisions of the policy are:

- Ensure the construction of major gateway infrastructure facilities through a cooperation agreement between the City and the Redevelopment Agency
- Allocate the development potential created by the proposed infrastructure improvements and connecting these allocations to milestone activities
- Define the maximum building floor area ratio (FAR) allowable in parts of New Edenvale to achieve the development potential
- Allow the Level of Service of signalized intersections in the area to temporarily exceed the City standard
- Describe the major transportation infrastructure required and the steps needed to develop both the infrastructure and the remaining vacant properties

This policy allows interim congestion at intersections in the area to temporarily exceed LOS D. However, the condition of the transportation system will be returned to a level that is better than or equivalent to background conditions once mitigation is constructed.

The demand for industrial development in the Edenvale Industrial Area has exceeded the supply provided under the existing policy. The following is a modification to the existing policy. The modification has two components.

Allowance for an additional 200,000 square-feet to be held in reserve as a pool. Relaxation of the infrastructure triggers that had previously been established.

Applicability and Implementation of this Policy

This Area Development Policy primarily addresses ~~only~~ development anticipated in that portion of the Edenvale Redevelopment Area that is located east of Route 101 (New Edenvale). For the purposes of this discussion, New Edenvale is divided into three subareas, which are illustrated on Attachment A. The total amount of additional development allowed to occur in this area is 5 million square- feet of industrial floor space. This includes a maximum floor area ratio (FAR) of 0.35 for Area 1, and 0.40 for Areas 3 and 4.

The 5 million square-feet includes provision for a pool of transferable square footage that would be reserved to provide some flexibility for existing users or secured tenants. A secured tenant is defined as a business entity or individual that has signed a lease for building space. The maximum building area allocation for each parcel in New Edenvale is shown on Attachment B. These are the maximum amounts of development that may occur on each parcel exclusive of any additional allocation from the pool. Allocation of additional square-footage from the pool is solely at the discretion of the Director of Planning. The actual building area allocations are established at the time of approval of the site development permit.

This policy also provides specifically for the development of the underutilized IBM site on the northeast corner of Poughkeepsie and Cottle Roads with approximately 222,000 square-feet of commercial uses. This 18.75-acre parcel is a key economic development opportunity site and will provide significant tax revenues for the City.

Required Infrastructure

An infrastructure improvement plan has been formulated, based on specific levels of development on all of the properties in New Edenvale considered ready for development at this time. Three major regional transportation projects are necessary to improve access into New Edenvale.

1. Widening the Silicon Valley Boulevard Bridge over Coyote Creek
2. Improving the interchange at Route 101 and Hellyer Boulevard
3. Improving the interchange at Route 101 and Blossom Hill Road/Silver Creek Valley Road

The Redevelopment Agency will fund the Silicon Valley Boulevard Bridge and interchange improvements. An extension of Hellyer Avenue and related improvements in Area 3 will be financed by an improvement district formed by the property owners in Area 3.

Local improvements to the street system, as listed on the attachment, will be required to accommodate traffic from build out of the 5 million square-feet. Those improvements have been allocated to Areas 1, 3 and 4 according to the amount of development they are required to serve and their importance to the overall LOS in the area. The entire local improvement mitigation package must be constructed by private developers concurrent with the development of the Edenvale Area. The local and minor improvements are shown in Attachment C.

Schedule for Implementation

This Policy requires specific infrastructure improvements be constructed at specific levels of development, and describes how and when the infrastructure will be constructed. The policy will allow the Level of Service of nearby intersections to deteriorate to levels in excess of existing policies for a temporary period of time. The length of time traffic will be below the allowable levels of the existing policy will depend on the rate at which the industrial projects are developed.

The improvements that would be necessary to support this level of development include

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infrastructure funded by the City and/or its Redevelopment Agency, local improvements paid for by private developers, and area improvements financed through improvement districts. While some of the improvements will be conditions of approval of specific developments and therefore must proceed with the developments themselves, major infrastructure components would be publicly financed and could be delayed through a number of causes. Building permits will only be issued for the cumulative amount of development indicated when specific actions are taken by public agencies, as shown:

Allowed Development (million square-feet)	Required Action
0.0 to 5.0 <u>5.2</u>	City Council approval of this policy and the Redevelopment Agency's formal commitment to fund the Silicon Valley Boulevard Bridge, interchange improvements at Route 101/Hellyer Avenue and Route 101/Blossom Hill/Silver Creek Valley Road and award of a construction contract for the Silicon Valley Boulevard Bridge (Phase II).
More than 5.0 <u>5.2</u>	With the completion of a new area-wide traffic study that analyzes intensification and full build out and the construction of all related gateway infrastructure, additional building permits may be issued to the extent that additional traffic capacity is created.

Conclusion

At a point in time when interest is high for development in the Edenvale Redevelopment Area, implementation of this Area Development Policy would allow development to occur in a reasonably expeditious fashion and at appropriate levels of intensity, while managing associated traffic congestion.